


**MEMORANDUM**

July 3, 2013

TO: County Council

FROM: Robert H. Drummer, Senior Legislative Attorney 

SUBJECT: **Introduction:** Bill 23-13, Taxation – Estimated Personal Property Tax

Bill 23-13, Taxation – Estimated Personal Property Tax, sponsored by the Council President at the request of the County Executive, is scheduled to be introduced on July 9. A public hearing is tentatively scheduled for July 30 at 1:30 p.m.

Bill 23-13 would authorize the Department of Finance to issue an estimated personal property tax bill in those circumstances where the Department of Assessments and Taxation (SDAT) has not notified the County of a personal property assessment prior to the time tax bills are to be issued. Md. Tax-Property Art. §10-210 authorizes the County to enact legislation providing for estimated personal property tax bills under these circumstances.

This packet contains:

Bill 23-13  
Legislative Request Report  
Executive's Transmittal Letter

Circle #

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Bill No. 23-13  
Concerning: Taxation—Estimated  
Personal Property Tax  
Revised: June 28, 2013 Draft No. 1  
Introduced: July 9, 2013  
Expires: January 9, 2015  
Enacted: [date]  
Executive: [date signed]  
Effective: [date takes effect]  
Sunset Date: [date expires]  
Ch. [#], Laws of Mont. Co. [year]

## COUNTY COUNCIL FOR MONTGOMERY COUNTY, MARYLAND

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By: Council President at the Request of the County Executive

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**AN ACT** to:

- (1) permit the issuance of an estimated personal property tax bill;
- (2) require payment of an estimated personal property tax bill; and
- (3) generally amend County law regarding issuance of personal property tax bills.

By adding

Montgomery County Code  
Chapter 52, Taxation  
Section 52-4A

<b>Boldface</b>	<i>Heading or defined term.</i>
<u>Underlining</u>	<i>Added to existing law by original bill.</i>
[Single boldface brackets]	<i>Deleted from existing law by original bill.</i>
<u>Double underlining</u>	<i>Added by amendment.</i>
[[Double boldface brackets]]	<i>Deleted from existing law or the bill by amendment.</i>
* * *	<i>Existing law unaffected by bill.</i>

*The County Council for Montgomery County, Maryland approves the following Act:*

1       **Sec. 1. Section 52-4A is added as follows:**

2       **52-4A. Authorization to issue an estimated personal property tax bill.**

- 3       (a)   If the State Department of Assessments and Taxation does not notify the  
4           County of any particular personal property tax assessment or operating  
5           personal property assessment by September 1 of any tax year, the  
6           Collector may issue an estimated personal property tax bill to the  
7           taxpayer.
- 8       (b)   The estimated personal property tax must be calculated by applying the  
9           applicable current property tax rate to the most recent assessment of the  
10          property.
- 11       (c)   The taxpayer must pay the estimated tax bill within 30 days after the bill  
12          is received, reasonably should have been received, or is made available  
13          to the taxpayer. If the estimated bill is not paid when due, the unpaid  
14          balance is subject to interest and penalty as provided by law.
- 15       (d)   If the tax paid under this Section is less than the tax finally determined  
16          to be due, the Collector must send a bill to the taxpayer for the  
17          difference. If this tax bill is not paid within 30 days after the bill is  
18          received, reasonably should have been received, or is made available to  
19          the taxpayer, the unpaid balance is subject to interest and penalty as  
20          provided by law.
- 21       (e)   If the tax paid under this Section is more than the tax finally determined  
22          to be due, the Collector must refund the difference to the taxpayer with  
23          interest as provided by law.

24   *Approved:*

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Nancy Navarro, President, County Council

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Date

## LEGISLATIVE REQUEST REPORT

Bill 23-13

### *Taxation – Estimated Personal Property Tax*

<b>DESCRIPTION:</b>	Bill 23-13 would authorize the Department of Finance to issue an estimated personal property tax bill in those circumstances where the Department of Assessments and Taxation (SDAT) has not completed the annual assessment of personal property and notified the County of a personal property assessment prior to the time tax bills are to be issued.
<b>PROBLEM:</b>	On occasion SDAT does not get the annual personal property assessment done in time, especially with taxpayers that have large amounts of personal property, for the County to send out an annual tax bill on a timely basis. This results in delay of receipt of personal property tax revenues.
<b>GOALS AND OBJECTIVES:</b>	To authorize the Department of Finance (the collector of taxes) to issue a temporary or estimated personal property tax bill in those circumstances where SDAT has failed to complete the assessment process.
<b>COORDINATION:</b>	Department of Finance.
<b>FISCAL IMPACT:</b>	To be requested.
<b>ECONOMIC IMPACT:</b>	To be requested.
<b>EVALUATION:</b>	To be requested.
<b>EXPERIENCE ELSEWHERE:</b>	To be researched.
<b>SOURCE OF INFORMATION:</b>	Scott R. Foncannon, Office of the County Attorney
<b>APPLICATION WITHIN MUNICIPALITIES:</b>	Applicable.
<b>PENALTIES:</b>	None.




OFFICE OF THE COUNTY EXECUTIVE  
ROCKVILLE, MARYLAND 20850

Isiah Leggett  
*County Executive*

MEMORANDUM

June 21, 2013

TO: Nancy Navarro, Council President

FROM: Isiah Leggett, County Executive 

RE: Proposed Legislation - Estimated Personal Property Tax Bills

I am transmitting to Council for introduction a bill that authorizes the Department of Finance to issue an estimated personal property tax bill. I am also including the Legislative Request Report and the Fiscal and Economic Impact Statement.

This bill authorizes the Department of Finance to issue an estimated personal property tax bill in circumstances where the State Department of Assessments and Taxation has failed to complete the personal property assessment prior to the deadline for issuance of personal property tax bills. This bill is authorized by Section 10-210 of the Tax-Property Article of the Annotated Code of Maryland.

I would appreciate your consideration of this bill at your earliest convenience. If you have any questions or require additional information, please do not hesitate to contact Joseph Beach, Director, Department of Finance, at 240-777-8870.

Attachments (4)

c: Joseph Beach, Director, Department of Finance  
Marc Hansen, County Attorney  
Jennifer Hughes, Director, Office of Management and Budget